

CITY COUNCIL AGENDA

JUNE 19, 2007

SYNOPSIS

PETE CONSTANT
FORREST WILLIAMS
SAM LICCARDO
VACANT
NORA CAMPOS

DISTRICT 1
DISTRICT 2
DISTRICT 3
DISTRICT 4
DISTRICT 5

CHUCK REED MAYOR

PIERLUIGI OLIVERIO
MADISON P. NGUYEN
DAVID D CORTESE, VICE MAYOR
JUDY CHIRCO
NANCY PYLE

DISTRICT 6
DISTRICT 7
DISTRICT 8
DISTRICT 9
DISTRICT 10

Welcome to the San José City Council meeting!

This Agenda contains both a Consent Calendar section for routine business items that require Council approval, and general business items arranged to correspond with San José's City Service Areas (CSAs). City Service Areas represent the policy-making level for strategic planning, policy setting, and investment decisions in the critical functions the City provides to the community. They are:

- ***Strategic Support Services*** — The internal functions that enable the CSAs to provide direct services to the community in an effective and efficient manner.
- ***Community & Economic Development*** — Manage the growth and change of the community in order to create and preserve healthy neighborhoods and ensure a diverse range of employment and housing opportunities.
- ***Neighborhood Services*** — Serve, foster, and strengthen community by providing access to lifelong learning and opportunities to enjoy life.
- ***Transportation & Aviation Services*** — A safe and efficient transportation system that contributes to the livability and economic health of the City; and provide for the air transportation needs of the community and the region at levels that is acceptable to the community.
- ***Environment and Utility Services*** — Manage environmental services and utility systems to ensure a sustainable environment for the community.
- ***Public Safety Services*** — Commitment to excellence in public safety by investing in neighborhood partnerships as well as prevention, enforcement, and emergency preparedness services.

Items listed in Section 9 require approval of both the City Council and the San José Redevelopment Agency Board.

You may speak to the City Council about any item that is on the agenda, and you may also speak on items that are not on the agenda during Open Forum. If you wish to speak to the City Council, please refer to the following guidelines:

- **Fill out a Yellow Speaker's Card and submit it to the City Clerk seated at the front table. Do this before the meeting or before the item is heard.** This will ensure that your name is called for the item(s) that you wish to address, and it will help ensure the meeting runs smoothly for all participants.
- When the Council reaches your item on the agenda, Mayor Reed will open the public hearing and call your name. Please address the Council from the podium, which is located to the left of the City Clerk's table.
- Each speaker generally has two minutes to speak per item. The amount of time allotted to speakers may vary at the Mayor's discretion, depending on the number of speakers or the length of the agenda.
- To assist you in tracking your speaking time, there is a display on the podium. The green light turns on when you begin speaking; the yellow light turns on when you have 30 seconds left; and the red light turns on when your speaking time is up.

Please be advised that, by law, the City Council is unable to discuss or take action on issues presented during Open Forum. According to State Law (the Brown Act) items must first be noticed on the agenda before any discussion or action.

The San José City Council meets every Tuesday at 1:30 p.m. and every first and third Tuesday at 7 p.m., unless otherwise noted. If you have any questions, please direct them to the City Clerk's staff seated at the tables just below the dais. Thank you for taking the time to attend today's meeting. We look forward to seeing you at future meetings.

Agendas and Staff Reports for City Council items may be viewed on the Internet at www.sanjoseca.gov/clerk/agenda.asp. Council Meetings are televised live and rebroadcast on Channel 26.

To arrange an accommodation under the Americans with Disabilities Act to participate in this public meeting, please call (408) 535-1260 or (408) 294-9337 (TTY) at least two business days before the meeting.

On occasion the City Council may consider agenda items out of order.

- **Call to Order and Roll Call**
9:00 a.m. - Closed Session, Call to Order in Council Chambers
Absent Council Member: None.
Vacant: District 4.

1:39 p.m. - Regular Session, Council Chambers, City Hall
Absent Council Member: None.

7:02 p.m. - Public Hearings, Council Chambers, City Hall
Absent Council Member: None.
- **Invocation (District 6)**
Father Mark Arnzen, St. Martins presented a prayer.
- **Pledge of Allegiance**
Mayor Reed led the Pledge of Allegiance.
- **Orders of the Day**
The Orders of the Day and the Amended Agenda were approved, with Items 1.1, 3.1, 3.2 and 4.8 deferred to 6/26/07 and Item 3.4(a)(b) dropped at the request of the Association of Retired San José Police Officers and Firefighters.
- **Closed Session Report**
No Report.

1. CEREMONIAL ITEMS

- 1.1 Presentation of a commendation to the Mt. Pleasant High School girls track team upon winning the State Track and Field Championship. (Campos)
Deferred to 6/26/07, per Orders of the Day.

1. CEREMONIAL ITEMS

- 1.2 Presentation of a commendation to Angela Buenning Filo for her outstanding, painstaking and breathtaking work as preserved in “The Story of Silicon Valley,” a tribute to the prune orchards of South San José. (Cortese)
Heard in the evening.
Mayor Reed and Vice Mayor Cortese recognized and commended Ms. Angela Buenning Filo for her excellent work in “The Story of Silicon Valley”, a tribute to the South San José prune orchards.
- 1.3 Presentation of a commendation to Neighborhood Housing Services for their dedication to providing programs such as the Affordable Housing Resource Fair, and services that promote and support responsible home ownership as a means of revitalizing neighborhoods, engendering community pride and economic stability among residents. (Liccardo)
Mayor Reed and Council Member Liccardo recognized and commended the Neighborhood Housing Services for their dedication in providing programs to the City of San José residents.
- 1.4 Presentation of commendations to Principals Lisa Gonzales and Linda Herschbach for their strong commitment to education in the San José Unified School District. (Liccardo)
Mayor Reed and Council Member Liccardo recognized and commended Principals Gonzales and Herschbach for their commitment to education.
- 1.5 Presentation of a proclamation declaring the week of June 17 through June 23, 2007 as Architecture Week in San José. (Mayor)
Heard in the evening.
Mayor Reed recognized the week of June 17, 2007 through June 23, 2007 as “Architecture Week” in San José
- 1.6 Presentation of a commendation to Helen Chapman, Chair of the Parks and Recreation Commission, for her six years of dedicated service to the City of San José. (Pyle/Oliverio)
(Rules Committee referral 6/13/07)
Heard in the evening.
Mayor Reed and Council Members Pyle and Oliverio recognized and commended Ms. Helen Chapman for her six years of devoted service to the City of San José.

2. CONSENT CALENDAR

- 2.1 **Approval of Minutes.**
There were none.

2. CONSENT CALENDAR

2.2 Final adoption of ordinances.

Recommendation: Final adoption of ordinances.

- (a) ORD. NO. 28057 – Amending Chapter 3.48 of Title 3 of the San José Municipal Code by adding Section 3.48.140 to permit loans to participants from the City of San José Deferred Compensation Plan.

Ordinance No. 28057 adopted.

- (b) ORD. NO. 28059 – Rezoning certain real property situated at the north side of Southside Drive approximately 250 feet westerly of Water Street (155 Southside Drive) to R-1-8 Single Family Residence Zoning District. C07-006

Ordinance No. 28059 adopted.

- (c) ORD. NO. 28060 – Rescinding Ordinance No. 27032, adopted by the City of San José on December 16, 2003, rezoning certain real property located at the south-easterly corner of Blossom Hill Road and Cottle Road (5600 Cottle Road) to IP(PD) Planned Development Zoning District.

Ordinance No. 28060 adopted.

- (d) ORD. NO. 28061 – Rezoning certain real property situated at the northeasterly corner of Cottle and Poughkeepsie Roads from the IP – Industrial Park Zoning District to the A(PD) Planned Development Zoning District. PDC06-003

Ordinance No. 28061 adopted.

- (e) ORD. NO. 28062 – Rezoning certain real property situated on the east side of Almaden Expressway, approximately 200 feet north of the terminus of Fleetwood Drive (16310 Almaden Road) to A(PD) Planned Development Zoning District. PDC06-070

Ordinance No. 28062 adopted.

- (f) ORD. NO. 28063 – Rezoning certain real property situated within the area generally bounded by Kentwood Avenue, Highway 85 and South De Anza Blvd to A(PD) Planned Development Zoning District. PDC06-122

Ordinance No. 28063 adopted.

- (g) ORD. NO. 28064 – Rezoning certain real property situated at the north side of Alum Rock Avenue, approximately 200 feet southerly of 34th Street (1629 Alum Rock Avenue) to A(PD) Planned Development Zoning District. PDC07-019

Ordinance No. 28064 adopted.

- (h) ORD. NO. 28065 – Rezoning certain real property situated on the west side of Dent Avenue, approximately 500 feet north of Kooser Road (5331 Dent Avenue), to A(PD) Planned Development Zoning District. PDC07-001

Ordinance No. 28065 adopted.

2. CONSENT CALENDAR

2.3 Approval of actions related to the Operation Lease for Parcel 9C at the Airport.

Recommendation: Adoption of a resolution authorizing the City Manager to negotiate and execute the sixth amendment to the Fixed Base Operation Lease with ACM Aviation, LLC for Parcel 9C at the Norman Y. Mineta San José International Airport to reduce the leased premises by approximately 18,858 square feet to accommodate roadway improvements for the Terminal Area Improvement Program. CEQA: Resolution Nos. 67380 and 71451, File No. PP07-109. (Airport)

Resolution No. 73837 adopted.

2.4 Approval to establish a long term ground leasing policy for the Airport.

Recommendation: Adoption of a resolution establishing a long term ground leasing policy for Mineta San José International Airport that sets forth standard business terms and conditions for the lease of undeveloped ground at the Airport. CEQA: Resolution Nos. 67380 and 71451, File No. PP07-077. (Airport)

Resolution No. 73838 adopted.

2.5 Approval of City Council/Commission Code of Conduct Policy.

Recommendation: Adoption of a resolution approving the City Council/Commission Code of Conduct Policy including the changes recommended by the Rules and Open Government Committee at the April 18, 2007 meeting. (City Attorney)
[Rules Committee referral 5/23/07 – Item 3.1(g)(2)]

Resolution No. 73839 adopted approving Council Policy No. 0-36.

2.6 Approval to validate the following Council Policies.

Recommendation: Adoption of a resolution validating of the following policies as contained in the Council Policy Manual:

- (a) Policy 6-4 Billboards on City-owned Land;
- (b) Policy 6-15 City Boundary Changes in Existing Urbanized Areas;
[Rules and Open Government Committee referral 5/23/07 – Item 3.1(i)(4)(a)]
- (d) Policy 6-29 Post Construction Urban Runoff Management;
- (e) Policy 6-31 Uses of San José/Santa Clara Water pollution Control Plant Lands;
- (f) Policy 7-5 Naming of City-owned Land and Facilities.

[Rules and Open Government Committee referral 5/30/07 – Item 3.2(i)(4)(a)]

Resolution No. 73840 adopted.

- (c) Policy 6-20 Land Use Policy for Monopoles and Cellular Telephone Facilities;
Dropped per the Office of the City Attorney.

2. CONSENT CALENDAR

2.7 Approval to name the new branch library being constructed in District 2.

Recommendation: As recommended by the Library Commission name the new branch library currently being constructed at Monterey Road and East Branham Lane the “Edenvale Branch Library”. CEQA: Not a Project. Council District 2. (City Clerk)

Approved.

2.8 Approval of actions related to the 2006 Edward Byrne Memorial Justice Assistance Grant Trust Fund.

Recommendation:

- (a) Approval of the proposed 2006-08 Spending Plan for the 2006 Edward Byrne Memorial Justice Assistance Grant Trust (JAG) Fund.

Approved.

- (b) Adoption of the following Appropriation Ordinance and Funding Sources Resolution Amendments in the Edward Byrne Memorial Justice Assistance Grant Trust Fund:

- (1) Increase the estimate for the Earned Revenue in the amount of \$259,780;
- (2) Establish the JAG 2006-08 appropriations to the Police Department in the amount of \$259,780.

CEQA: Not a Project. (City Manager’s Office/Police)

Ordinance No. 28068 adopted.

Resolution No. 73834 adopted.

2.9 Approval of an agreement for cost sharing associated with Water Conservation Programs for FY 2007-2008.

Recommendation: Adoption of a resolution authorizing the City Manager to execute an agreement with the Santa Clara Valley Water District for cost sharing associated with water conservation programs in FY 2007-2008, under which the City will receive an amount not to exceed \$280,000 and the District will be paid an amount not to exceed \$547,480, for a net cost to the City of \$267,480. CEQA: Not a Project. (Environmental Services)

Resolution No. 73841 adopted.

2.10 Approval to set a Public Hearing on Sanitary and Storm Sewer Service Charges.

Recommendation: Adoption of a resolution setting a public hearing on August 7, 2007 at 1:30 p.m. for 2007-2008 Sanitary Sewer Service and Use Charges and Storm Sewer Service Charges based on annual reports of the Director of Finance and direct the City Clerk to publish notice of the time and place of the hearing. CEQA: Not a Project. (Finance)

Resolution No. 73842 adopted.

2. CONSENT CALENDAR

2.11 Approval to amend an agreement for parking access and revenue control equipment.

Recommendation: Adoption of a resolution authorizing the Director of Finance to execute the third amendment to the agreement with Scheidt & Bachmann USA, Inc. to extend the term of the agreement through September 30, 2007, revise the statement of work, and reduce the amount of total compensation by \$15,000 from \$1,991,725 to \$1,976,725, for a total agreement amount of \$1,976,725. CEQA: Not a Project. Council District 3. (Finance)

Deferred to 6/26/07, per Office of the City Attorney.

2.12 Approval to amend the Investment Custodial Services Agreement to extend the term.

Recommendation: Approval of the fourth amendment to the Investment Custodial Services Agreement with Wells Fargo Bank to extend the term of the agreement for one year from July 1, 2007 through June 30, 2008, in an amount not to exceed \$50,000, increasing total compensation from \$300,000 for a total contract amount of \$350,000. CEQA: Not a Project. (Finance)

Approved.

2.13 Approval of an agreement for Utility Users Tax and Franchise Fee compliance services.

Recommendation:

- (a) Approval of an agreement with Tax Compliance Services (TCS) to provide Utility Users Tax and Franchise Fee compliance services and related revenue enhancement services for a one-year term beginning July 1, 2007 through June 30, 2008 for an amount not to exceed \$138,000.

Approved.

- (b) Adoption of a resolution authorizing the Director of Finance to extend the contract for up to three additional one-year option periods for a maximum compensation for the agreement not to exceed \$552,000 subject to the appropriation of funds by the City Council.

CEQA: Not a Project. (Finance)

Resolution No. 73843 adopted.

2.14 Approval to place an increase to the Library Parcel Tax rates on the County Tax Roll.

Recommendation: Adoption of a resolution increasing the Library Parcel Tax rates for FY 2007-2008 by 3.0% over the FY 2006-2007 rates and approving the placement of the Library Parcel Tax on the FY 2007-2008 Santa Clara County Property Tax Roll. CEQA: Not a Project. (Finance)

Resolution No. 73844 adopted.

2. CONSENT CALENDAR

2.15 Approval to amend the General Banking Services Agreement.

Recommendation: Approval of the sixth amendment to the General Banking Services Agreement with Union Bank of California to extend the term of the agreement for one year from July 1, 2007 through June 30, 2008, in an amount not to exceed \$820,000 for the one-year extension, for a total amount not to exceed \$5,960,000. CEQA: Not a Project. (Finance)

Approved.

2.16 Approval of actions related to the Consolidated Plan and Community Development Block Grant Program.

Recommendation: Approval to amend the Consolidated Plan to allow for a change to a previously approved project and the creation of revolving loan funds under the Community Development Block Grant (CDBG) program as follows:

- (a) Boys and Girls Club: Acquisition by and transfer of title to the City of San José of a full service sports field developed with a \$750,000 CDBG loan, and expansion of the benefit area.
- (b) Revolving Loan Fund: Creation of Housing Rehabilitation and Capital Expansion Program revolving loan funds.

CEQA: Exempt, File No. PP06-071. Council Districts 5, 7 and 8. SNI: KONA/West Evergreen/East Valley/680. (Housing)

Approved.

2.17 Approval of a Pilot Program for Repairing and Replacing Infrastructure for Mobilehome Parks.

Recommendation: Adoption of a resolution:

- (a) Approving a \$300,000 pilot program for repairing or replacing infrastructure within a mobilehome park(s) located within a Strong Neighborhood Area and;
- (b) Delegating to the Director of Housing the authority to select a mobilehome park(s) to receive such repairs and to negotiate and execute all noncapital project agreements that do not require prior CEQA review and clearance, and to negotiate and execute all capital project agreements only after CEQA review and clearance and City Council approval, all with the owner(s) of said property(ies) to effect those repairs.

CEQA: Not a Project. (Housing)

Resolution No. 73845 adopted, with Staff directed to return to the Committee with a status report on the pilot program.

2. CONSENT CALENDAR

2.18 Approval to amend the HomeVenture Fund to allow for Homeownership Center Operations.

Recommendation: Adoption of a resolution:

- (a) Approving a sixth amendment to the HomeVenture Fund grant agreement to allow Neighborhood Housing Services Silicon Valley to retain \$300,000 from the HomeVenture fund to be used for Homeownership Center Operations; and
- (b) Approving a \$230,000 grant from the City's Housing Trust Fund to NHSSV to be used for program and administrative costs for NHSSVs pre-purchase and foreclosure prevention, education, and counseling services; and
- (c) Authorizing the Director of Housing to negotiate and execute the amendment to the HomeVenture grant agreement and the Housing Trust Fund grant agreement and other related documents.

CEQA: Not a Project. (Housing)

Resolution No. 73846 adopted.

2.19 Approval to execute a Voluntary Compliance Agreement with the U.S. Department of Housing and Urban Development.

Recommendation: Adoption of a resolution authorizing the City Manager to execute the Voluntary Compliance Agreement (VCA) drafted between the City of San José and the U.S. Department of Housing and Urban Development (HUD) pertaining to the 2006 HUD Civil Rights Audit on ADA Requirements. CEQA: Not a Project. (Housing/Public Works)

Resolution No. 73847 adopted.

2.20 Approval of actions related to Workers' Compensation Cost Containment Services.

Recommendation: Adoption of a resolution:

- (a) Authorizing the City Manager to negotiate and execute an agreement with Fair Isaac Corporation to provide workers' compensation cost containment services at a cost not to exceed \$750,000 during the period July 1, 2007 to June 30, 2008, and authorizing the City Manager to execute up to four one-year options to renew at a cost not to exceed \$750,000 per year, subject to annual appropriation of funds by the City Council; and,
- (b) Extending the current agreement of July 1, 2006 to June 30, 2007 with Fair Isaac Corporation for up to three months, in the event negotiations are not finalized by June 30, 2007.

CEQA: Not a Project. (Human Resources)

Deferred to 6/26/07, per Administration.

2. CONSENT CALENDAR

2.21 Approval to create two new job classifications.

Recommendation: Adoption of a resolution to create the following job classifications:

- (a) Therapeutic Services Manager
- (b) Senior Therapeutic Treatment Specialist

CEQA: Not a Project. (Human Resources)

Resolution No. 73848 adopted.

2.22 Approval to extend the agreement for the current Employee Assistance Program and Critical Incident Stress Debriefing.

Recommendation: Adoption of a resolution authorizing the City Manager to negotiate and execute amendments to continue the current Employee Assistance Program (EAP) and Critical Incident Stress Debriefing (CISD) agreements with Managed Health Network (MHN) for a period not to exceed three months at a cost of \$213,000, subject to marginal change based on month-to-month usage. CEQA: Not a Project. (Human Resources)

Resolution No. 73849 adopted.

2.23 Approval to amend an agreement for Citywide Insurance Broker Services.

Recommendation: Adoption of a resolution authorizing the City Manager to negotiate and execute the second amendment to the agreement with Willis Insurance Services of California Inc., for citywide insurance broker services, to extend the current contract from July 1, 2007 to June 30, 2008 with the same terms and conditions including a cap on commissions paid to Willis by insurance carriers for placement of the City's policies in an amount not to exceed \$241,000. CEQA: Not a Project. (Human Resources/Finance)

Resolution No. 73850 adopted.

2.24 Approval of Mayor Reed's Travel to Austin, TX.

Recommendation: Approval of Mayor Reed's travel to Austin, TX on October 10-12, 2007 to attend the San José/Silicon Valley Chamber of Commerce City to City trip.

Source of Funds: Mayor and Council Travel Fund. (Mayor)

[Rules Committee referral 5/30/07 – Item 3.2(g)(1)]

Approved.

2. CONSENT CALENDAR

2.25 Approval of actions related to the annexation of Monterey Park No. 109.

Recommendation: Adoption of a resolution authorizing the reorganization of territory designated as Monterey Park No. 109 which involves the annexation to the City of San José of 4.43 gross acres of land located on the northwesterly corner of Curtner Avenue and Stone Avenue and the detachment of the same from the appropriate special districts including County Lighting County Service, Central Fire Protection, Area No. 01 (Library Services) County Service, and County Sanitation District 2-3. CEQA: Resolution No. 69636, and Addenda thereto File No. 65459. Council District 7. (Planning, Building and Code Enforcement)

Resolution No. 73851 adopted.

2.26 Approval of actions related to the Historic Landmark initiation for the Queen Anne Victorian House located on Bird Avenue.

Recommendation:

- (a) Adoption of a resolution to initiate proceedings to consider the single family house located at 1023 Bird Avenue house as a landmark of special historical, architectural, cultural, aesthetic or engineering interest or value of a historic nature.

Resolution No. 73852 adopted.

- (b) Refer the matter back to the Historic Landmarks Commission for its consideration at a public hearing, report and recommendation.

Approved.

- (c) Adoption of a resolution setting a public hearing on August 14, 2007 at 1:30 p.m. for Council consideration of designating the Queen Anne Victorian House as a City Historic Landmark.

CEQA: Exempt, File NO. HL06-157. Council District 6. (Planning, Building and Code Enforcement)

Resolution No. 73852 adopted.

2. CONSENT CALENDAR

2.27 Approval to set a public meeting and public hearing for Maintenance District 18.

Recommendation: Take the following actions to propose an increase to the annual assessment and revise the scope of services for Maintenance District 18, The Meadowlands:

- (a) Adoption of a resolution preliminarily approving the Engineer's Report.

Resolution No. 73853 adopted.

- (b) Setting the public meeting to be held on August 14, 2007 at 1:30 p.m.
- (c) Setting the public hearing and tabulation of property owner ballots for September 18, 2007 at 7:00 p.m.
- (d) Directing that the notice of said meeting and hearing and ballots be mailed to the property owners in district.

CEQA: Exempt, File No. PP07-020. Council District 8. (Public Works)

Approved.

2.28 Approval of an agreement for planning, design and construction design services for Fire Station No. 25.

Recommendation: Approval of a continuation agreement with BFGC Architects Planners, Inc. for planning, design and construction design services for Fire Station No. 25, extending the term of the agreement from March 1, 2007 to December 1, 2007, at no cost to the City. CEQA: Resolution No. 69636, and addenda thereto File No. PP04-331. Council District 4. (Public Works)

Approved.

2.29 Approval of actions related to the City Hall Audio-Visual System Expansion Project.

Recommendation: Adoption of a resolution:

- (a) Determining that the City Hall Audio-Visual System Expansion Project need not be publicly bid because the solicitation of bids would be an idle act;
- (b) Authorizing the City Manager to negotiate and execute a contract for the design and construction of the City Hall Audio-Visual Expansion Project to Ceitronics, Inc. in the maximum amount of \$300,000, and approval of a contingency in the amount of \$30,000; and
- (c) Determining that the City Hall Audio-Visual System Expansion Project requires using certain brand name "control" equipment manufactured by Crestron Electronics, Inc. to match the existing audio-visual system.

CEQA: Resolution No. 68905. (Public Works/General Services)

Resolution No. 73854 adopted.

2. CONSENT CALENDAR

2.30 Approval of actions related to the Clean Air Vehicle Parking Validation Program.

Recommendation: Adoption of a resolution to repeal Resolution No. 73823 and to amend the Master Parking Rate Schedule to do the following:

- (a) Combine the City's existing Clean Air and Hybrid Vehicle Parking Validation Programs into one program entitled, "Clean Air Vehicle Program" which will modify the terms of the existing Clean Air and Hybrid Vehicle Parking Validation Programs so that they do the following:
 - (1) Match the program requirements to meet those for the State of California Carpool Lane sticker requirements for a Single Occupancy vehicle, with the exception of including Neighborhood Electric Vehicles;
 - (2) Provide that Clean Air Vehicles must be purchased after January 1, 2000 from a licensed auto dealership in the City of San Jose;
 - (3) Limit participation of City parking facilities to the Third Street Garage, Fourth Street Garage, Market Street Garage, 2nd / San Carlos Garage, 2nd/St. James Lot, San Pedro/Bassett Lot, and San Jose Regional Parks and parking meters throughout the City of San Jose; and
 - (4) Add an administrative fee of \$30 for new and replacement permit to cover the administrative costs of the program.
- (b) Extend the modified Clean Air Vehicle Program through June 30, 2009 and authorize the Director of Transportation to extend the modified Clean Air Vehicle Program annually thereafter, as long as the parking supply and demand supports continuation of the program.
- (c) Authorize the Director of Transportation to add or remove any parking facility from the modified Clean Air Vehicle Program as necessary.

CEQA: Not a Project. Council District 3. (Transportation)

Resolution No. 73855 adopted.

2.31 Consideration of a Historical Property Contract for property located at 456 North Third Street.

Recommendation: Consideration of a Historical Property Contract (California Mills Act) between the City of San José and the owners of the Arguello-Gosby House, City Landmark file no. HL06-156, located at 456 North Third Street on a 0.2-acre site in the R-M multi-family zoning district (Angela Chumak, owner). The proposed contract, which is available to owners of designated City Landmark buildings, would facilitate a property tax reassessment and partial tax relief in return for a binding agreement to rehabilitate and maintain the historical and architectural character of the property for at least a ten-year period. SNI: 13th Street. CEQA: Exempt. The Historic Landmarks Commission recommends approval (7-0-0).

MA07-003 – District 3

(Planning, Building and Code Enforcement)

Renumbered from Items 11.1(c) and 4.9.

Resolution No. 73856 adopted.

2. CONSENT CALENDAR

2.32 Consideration of a Historical Property Contract for property located at 1190 Emory Street.

Recommendation: Consideration of a Historical Property Contract (California Mills Act) between the City of San José and the owner of the Wilder-Hait House, City Landmark file no. HL04-150, located at 1190 Emory Street on a 1.2-acre site in the R-1-8 single-family residence zoning district (Alex and Cynthia Clerk, owners). The proposed contract, which is available to owners of designated City Landmark buildings, would facilitate a property tax reassessment and partial tax relief in return for a binding agreement to rehabilitate and maintain the historical and architectural character of the property for at least a ten-year period. CEQA: Exempt. The Historic Landmarks Commission recommends approval (7-0-0).

MA07-001 – District 6

(Planning, Building and Code Enforcement)

Renumbered from Items 11.1(f) and 4.10.

Resolution No. 73857 adopted.

2.33 Approval of a Memorandum of Understanding for the Contemplated Expansion of the Valley Fair Mall.

Recommendation: Adoption of a resolution authorizing the City Manager to negotiate and execute a Memorandum of Understanding between the City of San José and the City of Santa Clara Regarding Planning, Permit Approval and Inspection Responsibilities for the Contemplated Expansion of the Valley Fair Mall. CEQA: Resolution No. 73809. Council District 6. (Planning, Building and Code Enforcement)

Renumbered from Item 4.11.

Resolution No. 73858 adopted.

2.34 Approval to amend an agreement with Valley Transportation Authority for Airport Bus Services.

Recommendation: Adoption of a resolution authorizing the City Manager to:

- (a) Negotiate and execute the sixth amendment to the agreement for Airport Bus Service with the Santa Clara County Valley Transportation Authority (VTA), extending the term from July 1, 2007 to June 30, 2010, with the option for the City to extend the agreement for up to two (2) additional two-year terms, with first year compensation to VTA in an amount not to exceed \$1,400,000 and with compensation for subsequent years subject to adjustment based upon the Consumer Price Index, and subject to appropriation of funds for each year.
- (b) Exercise up to two (2) two-year options to extend the agreement, subject to appropriation of funds for each option year.

CEQA: Resolution Nos. 67380 and 71451, File No. PP07-110. (Airport)

Renumbered from Item 6.3.

Resolution No. 73859 adopted.

2. CONSENT CALENDAR

2.35 Approval of report on bids and award of contract for the Slurry Seal 2007 Project.

Recommendation: Report on bids and award of contract for the Slurry Seal 2007 project to the low bidder, Graham Contractors, Inc. in the amount of \$1,974,880.00 and approval of a five percent (5%) contingency in the amount of \$99,000. CEQA: Exempt, File No. PP04-039. (Transportation)

Renumbered from Item 6.4.

Approved.

3. STRATEGIC SUPPORT SERVICES

3.1 Report of the Rules and Open Government Committee – May 23, 2007

Mayor Reed, Chair

(a) City Council

(1) Review New Add Items to May 29, 2007 Agenda

NONE – MEETING CANCELED

(2) Review June 5, 2007 Draft Agenda

(a) Add New Items to final agenda

(1) City Manager Compensation. (Mayor)

Heard By Council on 6/5/07, Item 3.10.

(2) Elections Commission Recommendation to Change Special Eligibility Requirement that One Member of the Elections Commission Be an Attorney at Law. (City Clerk)

Heard By Council on 6/5/07, Item 3.6.

(3) Vietnamese Business District Designation. (Nguyen/Mayor)

Heard By Council on 6/5/07, Item 9.1.

(b) Redevelopment Agency items reported out at Redevelopment Agency meeting

(c) Legislative Update

(1) State

(a) AB 1252 (Caballero) – Housing Related Parks Program. (Housing)

(b) AB 1460 (Saldana) – Multifamily Housing Program. (Housing)

(c) SB 46 (Perata) – Proposition 1C Regional Planning, Housing, and Incentive Account. (Housing)

(d) SB 586 (Dutton) – Proposition 1C Innovation Fund. (Housing)

Heard by Council on 6/5/07, Item 3.8.

(2) Federal

(d) Meeting Schedules

(e) The Public Record

(f) Appointments to Boards, Commissions and Committees

3. STRATEGIC SUPPORT SERVICES

3.1 Report of the Rules and Open Government Committee – May 23, 2007 (Cont'd.) Mayor Reed, Chair

- (g) Rules Committee Reviews, Recommendations and Approvals
 - (1) Council Expenditures and Reimbursement Policy. (City Clerk/City Attorney/Finance)
(Continued from 5/16/07)
 - (2) Approve the revised Commission/Liaison Code of Conduct Policy. (City Attorney)
See Item 2.5 for Council Action Taken.
 - (3) Response to the Macias Consulting Group's Report on the Finance Department's Investment Unit and the Finance Department's Response. (City Auditor)
 - (4) Discussion of Cost Neutral Opportunities for a Public Safety Memorial at New City Hall with Direction to Implement Memorial and Process for Accepting Private Sponsorship. (Constant/Pyle)
- (h) Review of Council Committee Agendas
 - (1) Community and Economic Development Committee
 - (2) Neighborhood Services and Education Committee
 - (3) Transportation and Environment Committee
 - (4) Public Safety, Finance and Strategic Support Committee
- (i) Open Government Initiatives
 - (1) Reed Reforms
 - (2) Sunshine Reform Task Force
 - (3) Significant Public Records Act Requests
 - (4) Council Policy Manual Update
 - (a) Approval to Validate Selected Policies Contained in the City Council Policy Manual. (City Manager)
See Item 2.6 (a)-(c) for Council Action Taken.
- (j) Open Forum
- (k) Adjournment
(Deferred from 6/12/07 – Item 3.1)
Deferred to 6/26/06, per Orders of the Day.

3.2 Report of the Rules and Open Government Committee – May 30, 2007 Mayor Reed, Chair

- (a) City Council
 - (1) Review New Add Items to June 5, 2007 Agenda
 - (2) Review June 12, 2007 Draft Agenda
- (b) Redevelopment Agency items reported out at Redevelopment Agency meeting
- (c) Legislative Update
 - (1) State
 - (a) SB 966 (Simitian and Kuehl) – Pharmaceutical Drug Disposal. (Environmental Services)
Heard by Council on 6/5/07, Item 3.12.
 - (2) Federal

3. STRATEGIC SUPPORT SERVICES

3.2 Report of the Rules and Open Government Committee – May 30, 2007 (Cont'd.) Mayor Reed, Chair

- (d) Meeting Schedules
 - (1) Council Meeting Schedule August 2007 – January 2008. (City Manager)
 - (2) (1) Review two proposed meeting formats as presented by the Independent Police Auditor and the Administration; (2) Approve one of the proposed formats, or a hybrid of the two proposals, for a Special Council Meeting scheduled on June 21, 2007, beginning at 6:00 p.m., in the City Council Chambers for consideration of various police related reports. (City Manager/Independent Police Auditor)
- (e) The Public Record
- (f) Appointments to Boards, Commissions and Committees
 - (1) Amendment to the Residency Requirement of the News Media Member of the Sunshine Reform Task Force and Appointment of Bert Robinson to the Sunshine Task Force. (Mayor)
Heard by Council on 6/5/07, Item 3.13.
- (g) Rules Committee Reviews, Recommendations and Approvals
 - (1) Approve Travel Request. (Mayor)
See Item 2.24 for Council Action Taken.
 - (2) Historic Freedom Shrine Display. (Mayor)
 - (3) Approve the use of the District 4 Special Event Fund and to acknowledge the receipt of and use of various donations in support of the Community Resource Fair to be held on Sunday, June 3, 2007 in the City Hall Civic Plaza and Rotunda. (Mayor/City Clerk)
- (h) Review of Council Committee Agendas
 - (1) Community and Economic Development Committee
 - (2) Neighborhood Services and Education Committee
 - (3) Transportation and Environment Committee
 - (4) Public Safety, Finance and Strategic Support Committee
- (i) Open Government Initiatives
 - (1) Reed Reforms
 - (2) Sunshine Reform Task Force
 - (a) Phase I Report and Open Government Recommendations. (City Manager)
 - (3) Significant Public Records Act Requests
 - (4) Council Policy Manual Update
 - (a) Approval to Validate Selected Policies Contained in the City Council Policy Manual. (City Manager)
See Item 2.6 (d)-(f) for Council Action Taken.
- (j) Open Forum
- (k) Adjournment

Deferred to 6/26/06, per Orders of the Day.

3.3 Report of the Public Safety, Finance and Strategic Support Committee Council Member Nguyen, Chair No Report.

3. STRATEGIC SUPPORT SERVICES

3.4 Acceptance of actions related to benefit enhancements for Federated Retirees and Police and Fire Retirees.

Recommendation:

- (a) Acceptance of the Administration's recommendation to NOT approve the benefit enhancements requested by the Association of Retired San José Police Officers and Firefighters (Police and Fire Retirees).
- (b) Acceptance of the Administration's recommendation to NOT approve the benefit enhancements requested by the San José Retired Employees Association (Federated Retirees).

CEQA: Not a Project. (City Manager's Office)

(Deferred from 5/22/07 – Item 3.6)

Dropped per Orders of the Day.

3.5 Approval of various budget actions for Fiscal Year 2006-2007.

Recommendation: Adoption of amendments to the annual appropriation ordinance and funding sources resolution for various operating and capital funds to reflect estimated FY 2006-2007 revenue receipts, expenses, and encumbrances and adoption of a resolution making certain determinations regarding the expenditure of Redevelopment Agency Funds on certain public improvements. CEQA: Not a Project. (City Manager's Office)

Ordinance No. 28069 adopted.

Resolution No. 73835 and 73835.1 adopted.

3.6 Approval of various budget actions for Fiscal Year 2007-2008.

Recommendation:

- (a) Final adoption of resolutions approving and adopting the Operating Budget for Fiscal Year 2007-2008 for the City of San José, the Capital Budget for Fiscal Year 2007-2008 for the City of San José, and the Five Year Capital Improvement Program for the Fiscal Year 2008-2012 for the City of San José.

Approved by Council on 6/12/07.

- (b) Adoption of the Annual Appropriation Ordinance, including transfers and loans for Fiscal Year 2007-2008 and the Manager's Final Budget Addendum.

Ordinance No. 28071 adopted.

- (c) Adoption of the Annual Funding Sources Resolution for Fiscal Year 2007-2008 and the Manager's Final Budget Addendum.

Resolution No. 73862 adopted.

- (d) Adoption of a resolution in compliance with Article XIII B of the Constitution of the State of California and as modified by Proposition 111 and SB 88 electing the population and inflation factors and establishing the Fiscal Year 2007-2008 Appropriation Limit.

Resolution No. 73863 adopted.

3. STRATEGIC SUPPORT SERVICES

3.6 Approval of various budget actions for Fiscal Year 2007-2008 (Cont'd.)

- (e) Adoption of a resolution to approve a loan from the Construction Tax and Property Conveyance Tax Fund: Parks Purposes Council District #5 to the Neighborhood Security Bond Fund in the amount of \$2,322,000, for a one-year term from July 1, 2007 through July 1, 2008 to be repaid from the General Fund, with interest based on the rate earned for the City's investment program.

CEQA: Not a Project. (City Manager's Office)

Heard fourth in the Afternoon.

Resolution No. 73864 adopted.

Council clarified the following actions taken on June 12, 2007:

- (1) **Restore from \$4,425,000 to \$6,747,000 funding for Fire Station 2 by closing the gap of \$2,322,000 with a loan from District 5 Construction and Conveyance tax and direct Staff to return to Council in 60 days with an evaluation of funding source options for repayment and a discussion about the scope of the project (effects of remodel versus rebuild).**
- (2) **Resolution No. 73832 adopted on 6/12/07, was amended, to reduce by one third (approximately \$300,000) the ending fund balance which shall be set aside for creative park maintenance initiatives.**

3.7 Approval to execute a Group Life Insurance Agreement.

Recommendation: Adoption of a resolution authorizing the City Manager to negotiate and execute a group life insurance agreement with The Standard Insurance Company for the period of July 1, 2007, through June 30, 2011, at a cost that is subject to monthly per participant premium rates as summarized in the report. CEQA: Not a Project. (Human Resources)

Resolution No. 73865 adopted.

3.8 Approval to establish a Veterans' Preference System.

Recommendation: Adoption of a resolution establishing a military veterans' preference system for entry level hiring in accordance with Government Code Section 50088.

CEQA: Not a Project. (Human Resources).

Resolution No. 73866 adopted.

3.9 Approval of a Statement of Policy and Questions related to the Director of Retirement Services.

Recommendation: Adoption of a Statement of Policy and City Council Questions related to the selection of a new Retirement Director as described in the memo, in compliance with City Charter Section 411.1. CEQA: Not a Project. (Human Resources)

Approved.

3. STRATEGIC SUPPORT SERVICES

3.10 Certification of Election Results and Oath of Office – District 4 Council Member-Elect.

Recommendation:

- (a) Adoption of a resolution declaring the results of the June 5, 2007 Municipal Runoff Election for Council District 4.

Resolution No. 73836 adopted.

- (b) Administration of the Oath of Office to Council Member-Elect Kansen Chu to serve the unexpired term in District 4, ending December 31, 2008. (Mayor)

Heard first in the Afternoon.

City Clerk Lee Price administered the Oath of Office to Council Member-Elect Chu.

4. COMMUNITY & ECONOMIC DEVELOPMENT

4.1 Report of the Community & Economic Development Committee Council Member Pyle, Chair

No Report.

4.2 Approval of the implementation of Workforce Investment Act Programs and Projects for 2007-2008.

Recommendation: Adoption of a resolution:

- (a) Authorizing the City Manager to negotiate and execute all contracts, amendments, agreements, leases, subleases and memos of understanding with contractors and vendors providing services to the Workforce Investment Act Program, including, but not limited to, novations or assignments, vendor training contracts, case management contracts, consultant contracts, memorandums of understanding required with Mandatory Partners for the use of One-Stop facilities, cities and the unincorporated area of Santa Clara County whose residents receive service under the WIA program for the period from July 1, 2007 to June 30, 2008 in accordance with procurement procedures and requirements mandated by the State and Federal governments for Workforce Investment Act grant recipients and with established City procurement procedures and requirements that have been reviewed and approved by the work2future (formerly known as Silicon Valley Workforce Investment Network or SVWIN) Executive Committee and/or the work2future Board.

(Item continued on the next page)

4. COMMUNITY & ECONOMIC DEVELOPMENT

4.2 Approval of the implementation of Workforce Investment Act Programs and Projects for 2007-2008 (Cont'd.)

- (b) Authorizing the City Manager to amend Council approved agreements that have been reviewed and approved by the work2future Executive Committee and/or the work2future Board so long as moneys have been appropriated and there is an unexpended and unencumbered balance of such appropriation sufficient to pay the expenses of the agreement.
- (c) Authorizing the City Manager to negotiate and execute all grants and sub-grant agreements for discretionary funding applied for and approved by the work2future Board for the period from July 1, 2007 to June 30, 2008.

CEQA: Not a Project. (Economic Development)

Resolution No. 73867 adopted.

4.3 Public Hearings to approve Business Improvement District Assessments for FY2007-2008.

Recommendation: Public hearings on:

- (a) (1) Adoption of a resolution to approve the Hotel Business Improvement District budget report for Fiscal Year 2007-2008, as filed or as modified by the Council, and to levy the Hotel BID assessments for FY 2007-2008.

Resolution No. 73868 adopted.

- (2) Approval of an amended and restated agreement with San José Hotels Inc. for the operation and administration of the Hotel BID.

CEQA: Exempt, PP03-05-165.

Approved.

- (b) Adoption of a resolution to approve the Japantown Business Improvement District budget report for Fiscal Year 2007-2008, as filed or as modified by the Council, and to levy the Japantown BID assessments for FY 2007-2008. CEQA: Exempt, PP03-05-165. Council District 3. SNI: 13th Street.

Resolution No. 73869 adopted.

- (c) Adoption of a resolution to approve the Willow Glen Business Improvement District budget report for Fiscal Year 2007-2008, as filed or as modified by Council and to levy the Willow Glen BID assessment for FY 2007-2008. CEQA: Exempt, PP03-05-165. Council District 6.

Resolution No. 73870 adopted.

- (d) Adoption of a resolution to approve the Downtown Business Improvement District budget report for Fiscal Year 2007-2008, as filed or as modified by Council and to levy the Downtown BID assessment for FY 2007-2008. CEQA: Exempt, PP03-05-165. Council District 3. SNI: St. James Square/University/Delmas Park/Burbank/DelMonte.

(Economic Development)

Resolution No. 73871 adopted.

4. COMMUNITY & ECONOMIC DEVELOPMENT

4.4 Approval to execute Economic Development Catalyst Program Stock Purchase Agreements.

Recommendation: Adoption of a resolution authorizing the City Manager to execute future Economic Development Catalyst Program (EDCP) Stock Purchase Agreements and related agreements that do not include delivery of or access to confidential financial, strategic, or operational portfolio company data other than the information provided by Pacific Community Management, Inc., the City's investment manager for the City's EDCP. CEQA: Not a Project. (Economic Development)

[Community and Economic Development Committee 5/24/07 – Item (e)]

[Deferred from 6/12/07 – Item 4.1(e)]

Resolution No. 73872 adopted, with Staff directed to report back to the Economic Development Committee semi-annually.

Noes: Cortese, Liccardo.

4.5 Approval of actions related to the Curtner Gardens Inn Affordable Housing Project.

Recommendation: Adoption of resolution.

(a) Approving a funding commitment of \$4,942,845, composed of \$4,547,417 of HOME funds and \$395,428 of Low & Moderate Income Housing Funds (20% Housing Funds), to First Community Housing, or its designee, for the acquisition and rehabilitation of the Curtner Gardens Inn SRO project located at the Northwest corner of Curtner and Canoas Gardens Avenues.

(b) Finding that the use of 20% Housing Funds for the Curtner Gardens Inn SRO project is of benefit to the Redevelopment Project Areas of San José.

CEQA: Exempt. Council District 6. (Housing)

Resolution No.73873 adopted.

4.6 Approval of the Five-Year Housing Investment Plan for FY 2007-2008 through 2011-2012.

Recommendation: Discussion and action to approve the Five-Year Housing Investment Plan for Fiscal Years 2007-2008 through 2011-2012 and approval of the following recommended policy changes:

(a) Amend the Mixed Income Housing Policy to include language that states that to the extent feasible, the City encourages extremely low-income units mixed effectively among other low-income and market rate units;

(b) Establish a leveraging goal of 2.5:1 for affordable housing developments.

(Item continued on the next page)

4. COMMUNITY & ECONOMIC DEVELOPMENT

4.6 Approval of the Five-Year Housing Investment Plan for FY 2007-2008 through 2011-2012 (Cont'd.)

- (c) Adopting a strategic policy that emphasizes the City's affirmative efforts to target housing for those most in need, including extremely-low income households and change the City's "85/15 Policy" to include deeper affordability levels within the 85%, as follows: 30% extremely-low income, 30% very-low income, and 25% low-income.
- (d) Pilot a rental assistance program that would provide move in assistance to teachers in partnership with the Silicon Valley Leadership Group and school districts.
- (e) Expand the City's Inclusionary Policy to include the following:
 - (1) Provide flexibility to developers to pay in-lieu or transfer land to non-profit developers to fulfill inclusionary requirements;
 - (2) Adjust current in-lieu fees to reflect the actual costs of providing affordable units;
 - (3) Deepen the required affordability levels under the inclusionary housing policy for rental developers;
 - (4) Institute a program to entice developers in the Downtown Core Area to build high-rise housing; and
 - (5) Consider expansion of the City of San José's Inclusionary Housing Policy to include large special planning areas and conversions of planned land use from industrial to residential.

CEQA: Not a Project. (Housing)

[Community and Economic Development Committee 5/24/07 – Item (f)]

Approved, with Staff directed to report back to the Economic Development Committee periodically.

4.7 Public Hearing and approval of actions related to the Downtown Working Group and a limited pilot program for certain restaurants, bars and nightclubs.

Recommendation:

- (a) Acceptance of status report on the Downtown Working Group and implementation of the Downtown Working Group Program. CEQA: Not a Project. (City Manager's Office)

Report Accepted.

- (b) Public Hearing and approval of the proposed ordinance to establish a limited pilot program to allow restaurants, bars and nightclubs within specified areas to remain open until 3:00 a.m. CEQA: Exempt, File No. PP07-117. Director of Planning, Building and Code Enforcement and the Planning Commission recommends approval (7-0-0). (Planning, Building and Code Enforcement)

The Public Hearing was held.

Ordinance No. 28072 passed for publication.

4. COMMUNITY & ECONOMIC DEVELOPMENT

4.8 Approval of actions related to the Evergreen Development Policy.

Recommendation: Acceptance of the proposed work plan to update the Evergreen Development Policy consistent with the Council's actions on May 15, 2007, and provide input on phasing/trigger options. CEQA: Not a Project. Council Districts 5, 7 and 8. SNI: West Evergreen/K.O.N.A/East Valley/680. (Planning, Building and Code Enforcement)
Heard in the evening.

Deferred to 6/26/07, per Orders of the Day.

4.9 Consideration of a Historical Property Contract for property located at 456 North Third Street.

Recommendation: Consideration of a Historical Property Contract (California Mills Act) between the City of San José and the owners of the Arguello-Gosby House, City Landmark file no. HL06-156, located at 456 North Third Street on a 0.2-acre site in the R-M multi-family zoning district (Angela Chumak, owner). The proposed contract, which is available to owners of designated City Landmark buildings, would facilitate a property tax reassessment and partial tax relief in return for a binding agreement to rehabilitate and maintain the historical and architectural character of the property for at least a ten-year period. SNI: 13th Street. CEQA: Exempt. The Historic Landmarks Commission recommends approval (7-0-0).

MA07-003 – District 3

(Planning, Building and Code Enforcement)

Renumbered to Item 2.31.

See Item 2.31 for Council Action.

4.10 Consideration of a Historical Property Contract for property located at 1190 Emory Street.

Recommendation: Consideration of a Historical Property Contract (California Mills Act) between the City of San José and the owner of the Wilder-Hait House, City Landmark file no. HL04-150, located at 1190 Emory Street on a 1.2-acre site in the R-1-8 single-family residence zoning district (Alex and Cynthia Clerk, owners). The proposed contract, which is available to owners of designated City Landmark buildings, would facilitate a property tax reassessment and partial tax relief in return for a binding agreement to rehabilitate and maintain the historical and architectural character of the property for at least a ten-year period. CEQA: Exempt. The Historic Landmarks Commission recommends approval (7-0-0).

MA07-001 – District 6

(Planning, Building and Code Enforcement)

Renumbered to Item 2.32.

See Item 2.32 for Council Action.

4. COMMUNITY & ECONOMIC DEVELOPMENT

4.11 Approval of a Memorandum of Understanding for the Contemplated Expansion of the Valley Fair Mall.

Recommendation: Adoption of a resolution authorizing the City Manager to negotiate and execute a Memorandum of Understanding between the City of San José and the City of Santa Clara Regarding Planning, Permit Approval and Inspection Responsibilities for the Contemplated Expansion of the Valley Fair Mall. CEQA: Resolution No. 73809. Council District 6. (Planning, Building and Code Enforcement)

Renumbered to Item 2.33.

See Item 2.33 for Council Action.

4.12 Approval of actions related to the Evergreen Specific Plan Fund.

Recommendation:

(a) Approval to take the following actions in the Evergreen Specific Plan Fund:

- (1) Declaring \$11,063,710 in contingent lien proceeds as un-obligated in the Evergreen Specific Plan Fund; and
- (2) Approval of a reimbursement in the amount of \$11,063,710 to the Evergreen Specific Plan Property Ownership Partnership.

CEQA: Not a Project. Council District 8. (Public Works)

Approved.

(b) Adoption of the following Appropriation Ordinance and Funding Sources Resolution amendments in the Evergreen Specific Plan Fund:

- (1) Establish a Beginning Fund Balance estimate in the Evergreen Specific Plan Fund in the amount of \$11,063,710.
- (2) Establish an appropriation for the Reimbursement to the Evergreen Specific Plan Property Ownership Partnership in the amount of \$11,063,710.

CEQA: Not a Project. (City Manager's Office)

Ordinance No. 28073 adopted.

Resolution No. 73875 adopted.

5. NEIGHBORHOOD SERVICES

5.1 Report of the Neighborhood Services and Education Committee

Council Member Chirco, Chair

No Report.

5.2 Consideration of changes to the Animal Regulations of the San José Municipal Code.

Recommendation:

- (a) Consideration of staff analysis and response to direction from Council regarding changes to the Animal Ordinance.

Approved.

Noes: Constant, Cortese, Oliverio; Reed.

- (b) Consideration of an ordinance amending Title 7, the "Animal Ordinance" of the San José Municipal Code, in its entirety, to reflect changes requested by the City Council on May 1, 2007; to update existing animal related regulations to reflect current animal care and control practices on the proper and adequate care of animals, to revise livestock and small animal regulations, sale of animals, rabies vaccinations, and animal trapping; to define new terms; and to make other technical and conforming changes.

Ordinance No. 28079 passed for publication, as amended:

- (1) Replace the term "Guardian" with "Owner/Guardian". (Opposed: Constant;Reed.)
- (2) Section 7.10.200, do not include the term "service dog in training" in the definition of "service dog" or other references to "service dog" in the Title.
- (3) Section 7.20.570, amend the language to allow any person who harbors or has control, custody or possession of a dog that is participating in or preparing an animal exhibition to carry metal license tags for the purpose of identification while in public; the dog must have a microchip implant and this section would not exempt the dog from the leash law.
- (4) Section 7.40.020(D), modify language to allow only one litter per household per year, with no limit on the number of unsprayed females with the maximum number of cats or dogs allowed any dwelling unit.
- (5) Section 7.60.030, delete this section and amend Section 7.10.080 and 7.10.185.
- (6) Section 7.10.080, amend the definition of "Commercial Kennel" to provide that allowing parturition or rearing of more than two litters of animals per year per premises would require a commercial kennel permit and delete any references to the sale of litters for compensation as a basis for being included as a Commercial Kennel.

(Item continued on the next page)

5. NEIGHBORHOOD SERVICES

5.2 Consideration of changes to the Animal Regulations of the San José Municipal Code (Cont'd.)

- (b) (7) Section 7.10.185, amend the definition of “Private Kennels” to provide that allowing the parturition or rearing of two litters per year would require a private kennel permit.
- (8) Section 7.60.080, eliminate the requirement for a two hundred fifty foot distance between Private Kennel and any dwelling unit, apartment, motel or other building used for human habitation.
- (9) Section 7.40.040(B), add language that would clarify that a dog may be maintained on a leash of more than six feet but less than twenty feet when in a public park or public open space provided that the dog makes no physical contact with another person or animal without the consent of that person or the consent of the “Owner/Guardian”. Clarify that the six foot leash requirement applies to when a dog is at an event on public property or on a public sidewalk or public street.
- (10) Section 7.40.100, continue to require that animal events held in a City building or facility require approval by the City Manager. Animal Services will maintain a list of City facilities that are appropriate for animal events.
- (11) Add a cross reference to Section 1.16.010 specifying the time to appeal the final administrative hearing decisions where appropriate in Title 7.
Noes: Cortese, Oliverio; Reed.

- (c) Approval of an ordinance amending Section 1.08.020 of Chapter 1.08 of Title 1 of the San José Municipal Code to update the list of animal infractions to include the new code sections.

CEQA: Not a Project. (Parks, Recreation and Neighborhood Services)

Heard in the evening.

Ordinance No. 28080 passed for publication, as amended.

Noes: Cortese, Oliverio; Reed.

5.3 Acceptance of staff’s response to the Civil Grand Jury’s Report on, “The Ten-Year Plan to Advance the Well-Being of Senior Citizens Falls Short of its Goal.”

Recommendation: Acceptance of the Parks, Recreation and Neighborhood Services response to the 2006-07 Santa Clara County Civil Grand Jury’s report entitled “The Ten-Year Plan to Advance the Well-Being of Senior Citizens Falls Short of Its Goal” issued on April 23, 2007. CEQA: Not a Project. (Parks, Recreation and Neighborhood Services)

Accepted.

6. TRANSPORTATION & AVIATION SERVICES

6.1 Report of the Transportation and Environment Committee – June 4, 2007 Council Member Williams, Chair

- (a) Status Report on Implementation of the Taxicab Service Model
Deferred to Fall 2007.
- (b) Review of Performance Measure Reporting
Continued from May Meeting
The Committee accepted the Staff report.
- (c) Recycled Water Master Plan and City-District Collaboration and Funding for Infrastructure
Deferred to August 2007.
- (d) Citywide Trail Completion Status Report
The Committee accepted the Staff report.
- (e) Status Report on Tree Preservation
Continued from May Meeting
The Committee accepted the Staff report.
- (f) Private Development Incentives for Green Building
The Committee accepted the Staff report.
- (g) Update on the Urban Environmental Accords
Deferred to Fall 2007.
- (h) State and Federal Legislation Quarterly Report
Deferred from May Meeting
The Committee accepted the Staff report.
- (i) Update on Key Aspects of Recycle Plus Transition
Dropped by the Administration.
- (j) Verbal Update on Status of Aviation Safeguard Discussions
The Committee accepted the Staff report and requested another update at the next Committee meeting that is scheduled to occur in the Fall.
- (j) Oral Petitions
None were presented.
- (k) Adjournment
The meeting was adjourned at 3:40 p.m.

The Transportation and Environment Committee Report and the Actions of June 4, 2007, were accepted.

6. TRANSPORTATION & AVIATION SERVICES

6.2 Approval of actions related to the lease and maintenance of Compressed Natural Gas Shuttle Buses at the Airport.

Recommendation:

- (a) Reject the only proposal for lease and maintenance of compressed natural gas (CNG) shuttle buses for the Norman Y. Mineta San José International Airport.
Rejected.
- (b) Adoption of a resolution authorizing the Director of Finance to:
 - (1) Negotiate and execute an agreement with Penske Truck Leasing Co. L.P. for a seven year lease and maintenance of fourteen CNG buses with a not to exceed compensation of \$1,900,000 for the first year of the contract and subject to annual Consumer Price Index adjustments and appropriation of funds.
 - (2) Negotiate and execute amendments to the agreement to add additional CNG buses as required for successful operation of the airport subject to appropriation of funds.

CEQA: Resolution Nos. 67380 and 71451, File No. PP07-059. (Finance)

Resolution No. 73876 adopted.

6.3 Approval to amend an agreement with Valley Transportation Authority for Airport Bus Services.

Recommendation: Adoption of a resolution authorizing the City Manager to:

- (a) Negotiate and execute the sixth amendment to the agreement for Airport Bus Service with the Santa Clara County Valley Transportation Authority (VTA), extending the term from July 1, 2007 to June 30, 2010, with the option for the City to extend the agreement for up to two (2) additional two-year terms, with first year compensation to VTA in an amount not to exceed \$1,400,000 and with compensation for subsequent years subject to adjustment based upon the Consumer Price Index, and subject to appropriation of funds for each year.
- (b) Exercise up to two (2) two-year options to extend the agreement, subject to appropriation of funds for each option year.

CEQA: Resolution Nos. 67380 and 71451, File No. PP07-110. (Airport)

Renumbered to Item 2.34.

See Item 2.34 for Council Action.

6.4 Approval of report on bids and award of contract for the Slurry Seal 2007 Project.

Recommendation: Report on bids and award of contract for the Slurry Seal 2007 project to the low bidder, Graham Contractors, Inc. in the amount of \$1,974,880.00 and approval of a five percent (5%) contingency in the amount of \$99,000. CEQA: Exempt, File No. PP04-039. (Transportation)

Renumbered to Item 2.35.

See Item 2.35 for Council Action.

7. ENVIRONMENTAL & UTILITY SERVICES

7.1 Approval of actions related to the Urban Eco Master Plan for the former Las Plumas Site.

Recommendation:

- (a) Acceptance of report on the proposed Urban EcoPark Master Plan for the site of the former Las Plumas warehouse;
- (b) Authorize staff to issue a Request for Proposals in June 2007 to identify potential tenants for facility programming; and
- (c) Direction to staff to report to the Transportation & Environment Committee in Fall 2007 with recommendations for facility tenants and a plan for facility programming and development, including cost estimates, timeline, and financing.

CEQA: Not a Project. (Environmental Services)

Approved.

7.2 Approval of various actions related to establishing a Household Hazardous Waste Collection Program.

Recommendation:

- (a) Approval of the first amendment to the agency agreement for Countywide AB 939 Implementation Fee with the County of Santa Clara to establish the Implementation Fee for FY 2006-07 at \$3.72, for FY 2007-08 at \$3.55, and for FY 2008-09 at \$3.35.
- (b) Approval of the first amendment to the agency agreement with the County of Santa Clara Countywide Household Hazardous Waste Collection Program for FY 2006-07 to increase the City's contribution by \$50,000 for a total cost not to exceed \$50,000.
- (c) Approval of the second amendment to the Agency Agreement with the County of Santa Clara Countywide Household Hazardous Waste Collection Program for the term July 1, 2007 through June 30, 2009, at no cost to the City of San José.

CEQA: Not a Project. (Environmental Services)

Approved.

7.3 Approval of actions related to City Events and Large Venue Recycling.

Recommendation:

- (a) Adoption of a resolution authorizing the City Manager to enter into an agreement with the San José Conservation Corps (SJCC) on an initial one-year basis to provide Special Event recycling services on behalf of the City at no cost to Special Event operators, with options for up to two one-year renewals;

Resolution No. 73877 adopted.

(Item continued on the next page)

7. ENVIRONMENTAL & UTILITY SERVICES

7.3 Approval of actions related to City Events and Large Venue Recycling (Cont'd.)

- (b) Require Special Events operators as a condition of their City Permit to provide access to the City's Special Event recycling service provider at a level of service established by the Director of Environmental Services if the following conditions are met: the Special Event occurs on a City street or on a City-owned site, facility or public park; has an average daily attendance of at least 1,000 persons; and the City receives the initial permit application after August 1, 2007;
- (c) Adoption of policy direction which allows Special Events that meet the above criteria and use the City's recycling services to use the City's low cost disposal under the City's agreement with Newby Island Landfill; and
- (d) Add to the Fall 2007 Transportation and Environment (TE) Committee work plan an evaluation of current City Special Event and Venue recycling services and options for service improvements.

CEQA: Exempt, File No. PP07-097. (Environmental Services)

Approved.

7.4 Approval of actions related to Commercial Solid Waste Franchise Fees and Source Reduction and Recycling Fees.

Recommendation:

- (a) Adoption of a resolution authorizing the City Manager to negotiate and execute an Agreement with San José Unified School District (SJUSD) to allow for reimbursement of Commercial Solid Waste Franchise Fees paid by SJUSD for an initial term of July 1, 2007, through June 30, 2009, and to authorize the Director of Environmental Services to exercise options for up to three one-year extensions.

Resolution No. 73878 adopted.

- (b) Adoption of a resolution amending the 2007-2008 Schedule of Fees and Charges to set the Source Reduction and Recycling (AB939) Fee at \$0.00 per cubic yard for solid waste generated by eligible public school districts in San José.

CEQA: Not a Project. (Environmental Services)

Resolution No. 73879 adopted.

Staff directed to collaborate with the School Districts on an ongoing basis.

7. ENVIRONMENTAL & UTILITY SERVICES

7.5 Approval of Sanitary Sewer Service and Use Charges and Storm Sewer Services Charges.

Recommendation:

- (a) Public hearing on proposed FY 2007-08 Sanitary Sewer Service and Use Charges and Storm Sewer Service Charges and proposed maximums for rate increases in FY's 2008-09 and 2009-10; and direct staff to return during the FY 2008-09 and 2009-10 budget cycles with recommendations for rate increases in FY 2008-09 and 2009-10 consistent with staff recommended maximum rate increases for those years.

The Public Hearing was held.

Approved.

- (b) Adoption of a resolution setting Sanitary Sewer Service and Use Charge rates for FY 2007-08 to reflect the rates in the staff report and public notices.

Resolution No. 73860 adopted.

- (c) Adoption of a resolution setting Storm Sewer Service Charges rates for FY 2007-08 to reflect the proposed rates in the staff report and public notices.

CEQA: Not a Project. (Environmental Services)

Heard second in the afternoon.

Resolution No. 73861 adopted.

7.6 Approval of San José Municipal Water System Potable Water Rates and Charges.

Recommendation: Adoption of a resolution increasing the San José Municipal Water System (SJMWS) potable water rates and charges by 7.3% effective July 1, 2007. CEQA: Not a Project. Council District 2, 4, 7 and 8. (Environmental Services)

Heard third in the afternoon.

Deferred to 6/26/07, per Council Member Constant.

8. PUBLIC SAFETY SERVICES

9. JOINT COUNCIL/REDEVELOPMENT AGENCY

9.1 Consideration of changes to the Revolving Door and Lobbyist Regulations of the San José Municipal Code.

Recommendation: Consideration of an ordinance amending Chapters 12.10 (Revolving Door) and 12.12 (Lobbyist) of Title 12 of the San José Municipal Code to implement changes requested by the City Council to (1) increase the revolving door prohibition from one to two years; (2) broaden the existing definition of a lobbyist by decreasing the hourly threshold to qualify as a lobbyist and aggregating the hours of individuals lobbying on behalf of the same organization; (3) create an exception for nonprofit organizations with Internal Revenue Code Section 501(c)(3) tax exempt status and certain business owners; (4) require disclosure of or prohibit compensation contingent on the result of a proposed governmental action; (5) require more specific disclosures in the lobbyist quarterly report; (6) impose interest on the quarterly report late filing fee; (7) require members of the City Council and Redevelopment Agency Board to disclose contacts with lobbyists; and (8) make other technical and clarifying changes. CEQA: Not a Project. (City Attorney's Office)

Heard no earlier than 3:30 p.m.

Ordinance No. 28074 passed for publication, as amended, with the City Attorney directed to return to Council in 60 days after implementation of the ordinance.

The City Attorney was directed to return with the following:

- (1) When the Fair Political Practices Commission would deem an independent contractor a “consultant” subject to the disclosure and disqualification requirements of the Political Reform Act.**
- (2) Whether contractors hired by the offices of the Mayor and Council should be subject to the revolving door prohibition.**
- (3) If lobbyists who file state campaign disclosures should identify themselves by occupation as “lobbyists”.**

9.2 Approval of actions related to the Pilot Shopping Center Improvement Program.

Recommendation:

- (a) Adoption of a resolution:**
 - (1) Approving the creation of a pilot program to improve the appearance of shopping centers outside of Redevelopment Areas to increase economic vitality, encourage job growth and generate additional sales tax revenue.**
 - (2) Authorizing the City Manager to execute a Cooperation Agreement to allow City of San José General Funds to be used to compensate the San José Redevelopment Agency for staff time, design work, supplies and contractor services undertaken outside of Redevelopment Areas.**

(Item continued on the next page)

9. JOINT COUNCIL/REDEVELOPMENT AGENCY

9.2 Approval of actions related to the Pilot Shopping Center Improvement Program (Cont'd.)

- (b) Adoption of an Agency resolution authorizing the Executive Director to execute a Cooperation Agreement to allow City of San José General Funds to be used to compensate the San José Redevelopment Agency for staff time, design work, supplies and contractor services undertaken outside of Redevelopment Areas.

CEQA: Not a Project. (City Manager's Office/Redevelopment Agency)

[Community and Economic Development Committee referral 5/21/07 – Item 4.5(c)]

(Deferred from 6/12/07 – Item 9.5)

Dropped, per Administration.

9.3 Conduct a Public Meeting related to a Property and Business Improvement District in Downtown.

Recommendation: Conduct a public meeting to receive public comment on the formation of the Downtown Property and Business Improvement District (PBID). CEQA: Not a Project. Council District 3. (City Manager's Office/Redevelopment Agency)

Heard in the evening.

The Public Meeting was held. There was no public testimony. No Council Action was taken.

9.4 Approval of actions related to the City's Inclusionary Housing Requirements.

Recommendation:

- (a) Adoption of resolutions amending the "City of San José Policy on Implementation of the Inclusionary Housing Requirement of Health & Safety Code Section 33413(b)(2)" that applies to most redevelopment project areas to:
 - (1) Require 8% very low-income units and 12% low-income units at 60% of area median income in rental projects; and
 - (2) To provide housing developers with other options to satisfy the Agency/City inclusionary housing requirements.
 - (3) To establish an incentive program for construction ready projects; and
 - (4) To establish an amnesty program for developers who are not in compliance with the Policy.

Resolution No. 73880 adopted, as amended.

Redevelopment Agency Resolution No. 5761 adopted.

- (b) Adoption of a resolution amending the annual Fee Resolution to increase the in-lieu fees applicable to the Inclusionary Housing Policy, as follows:
 - (1) \$17.00 per net square foot of market-rate housing with a maximum fee of \$85,500 for rental units, \$90,000 for for-sale units in low-rise condominium/stacked flat projects, \$120,000 for for-sale units in townhouse/row-house projects, \$200,000 for single-family detached units, and \$200,000 for high-rise units not located in the Downtown Core; and

(Item continued on the next page)

9. JOINT COUNCIL/REDEVELOPMENT AGENCY

9.4 Approval of actions related to the City's Inclusionary Housing Requirements (Cont'd.)

- (b) (2) \$8.50 per net square foot of market-rate high-rise units located in a Downtown High-Rise Incentive Area, up to a maximum fee of \$65,000 per unit.

CEQA: Not a Project. (City Manager's Office/Redevelopment Agency)

Resolution No. 73881 adopted, as amended,

- (1) **Staff to return in 12 months to assess the fees outside the downtown core area is an incentive for the developers.**
- (2) **The For-profit developers should not be held up by problems or issues the Non-profit developers are faced with.**

• Notice of City Engineer's Pending Decision on Final Maps

In accordance with Sec. 19.16.140d of the San José Municipal Code, this is notice of the City Engineer's pending decision on the following Final Maps:

<u>Tract</u>	<u>Location</u>	<u>Council District</u>	<u>Developer</u>	<u>Lots/Units</u>	<u>Type</u>	<u>Proposed Decision</u>
9889	North side of Cherry Avenue, 1000 feet west of Almaden Expressway	9	4970 Cherry Avenue Owner, LLC	1 Lot/ 32 Units	Convert Apartments to Condos	Approve
9903	Southeast corner of Leigh Avenue and Foxworthy Avenue	9	LB/L III Edenbridge II San José, LLC	24 Lots/ 23 Units	Single Family Detached	Approve

• Notice of City Engineer's Award of Construction Projects

None.

• Open Forum

- (1) **Paul Manley requested additional records relating to a Code compliance issue. He was directed to submit a request for records to the Office of the City Clerk.**
- (2) **Mark Trout expressed religious viewpoints.**
- (3) **Robert Apgar shared personal observations.**
- (4) **Ross Signorino spoke about the acquittal of Former Mayor Ron Gonzales.**

• Adjournment

The Council of the City of San José adjourned the afternoon session at 7:38 p.m.

10. GENERAL PLAN PUBLIC HEARINGS

No General Plan Public Hearings at this time.

11. PUBLIC HEARINGS ON CONSENT CALENDAR

(Heard by the City Council at 7:02 p.m.)

11.1 Public Hearings on Consent Calendar.

Recommendation:

- (a) Consideration of a Director-initiated ordinance rezoning the real property located on the south side of Piercy Road, approximately 900 feet east of the intersection of Piercy Road and Tennant Avenue (725 Piercy Road) from Unincorporated County to OS – Open Space on a 1.1 gross acre site (Manuel J. Rios, Owner). CEQA: Resolution No. 65459. Director of Planning, Building and Code Enforcement recommends approval. No Planning commission action required.

C07-030 – District 2

Renumbered to Item 11.5.

See Item 11.5 for Council Action.

- (b) Consideration of an ordinance rezoning the real property located on the southeast corner of Highway 280 and South 11th Street (868 South 11th Street) from R-2 Two-Family Residence Zoning District to R-M Multiple Residence District on a 0.2 gross acre site (Margarita O. Delgado et al, Tamara Alabastro, Owners; Bruce Williams, Developer). SNI: Spartan/Keyes. CEQA: Resolution No. 65459.

C07-005 – District 3

Continued to 8/14/07, per Administration.

- (c) Consideration of a Historical Property Contract (California Mills Act) between the City of San José and the owners of the Arguello-Gosby House, City Landmark file no. HL06-156, located at 456 North Third Street on a 0.2-acre site in the R-M multi-family zoning district (Angela Chumak, owner). The proposed contract, which is available to owners of designated City Landmark buildings, would facilitate a property tax reassessment and partial tax relief in return for a binding agreement to rehabilitate and maintain the historical and architectural character of the property for at least a ten-year period. SNI: 13th Street. CEQA: Exempt. The Historic Landmarks Commission recommends approval (7-0-0).

MA07-003 – District 3

See Item 2.31 for Council Action taken.

11. PUBLIC HEARINGS ON CONSENT CALENDAR

11.1 Public Hearings on Consent Calendar (Cont'd.)

- (d) Consideration of an ordinance rezoning the real property located on the northwest corner of Capitol Avenue and Berryessa Road (13441 Berryessa Road) from the A(PD) Planned Development Zoning District to the CG – Commercial General Zoning District to allow commercial uses on the 0.79 gross acre site (BP West Coast Products LLC, Owner). CEQA: Exempt. Director of Planning, Building and Code Enforcement recommends approval. No Planning Commission action required.

C07-023 – District 4

Ordinance No. 28075 passed for publication.

- (e) Consideration of an ordinance rezoning the real property located on the northwest corner of The Alameda and Stockton Avenue (155 Stockton Ave.) from the CG Commercial General Zoning District to the A(PD) Planned Development Zoning District to allow approximately 44,000 square foot commercial use (Whole Foods) on a 2.19 gross acres site (Alameda/Stockton, Llc, Owner; Whole Foods Market California, Inc., Developer). CEQA: Mitigated Negative Declaration. Director of Planning, Building and Code Enforcement and the Planning Commission recommends approval (6-0-1).

PDC06-064 – District 6

Ordinance No. 28076 passed for publication.

- (f) Consideration of a Historical Property Contract (California Mills Act) between the City of San José and the owner of the Wilder-Hait House, City Landmark file no. HL04-150, located at 1190 Emory Street on a 1.2-acre site in the R-1-8 single-family residence zoning district (Alex and Cynthia Clerk, owners). The proposed contract, which is available to owners of designated City Landmark buildings, would facilitate a property tax reassessment and partial tax relief in return for a binding agreement to rehabilitate and maintain the historical and architectural character of the property for at least a ten-year period. CEQA: Exempt. The Historic Landmarks Commission recommends approval (7-0-0).

MA07-001 – District 6

See Item 2.32 for Council Action taken.

- (g) Consideration of an ordinance rezoning the real property located on the east side of Stone Avenue at the intersection with Cimino Street (1999 Stone Ave.) from LI Light Industrial District to the HI Heavy Industrial District on a 4.09 gross acres site (Anello and Vida Salvatore Trustee, Owner). CEQA: Resolution No. 65459. Director of Planning, Building and Code Enforcement recommends approval. No Planning Commission action required.

C07-022 – District 7

Ordinance No. 28077 passed for publication.

END OF PUBLIC HEARINGS ON CONSENT CALENDAR

11. PUBLIC HEARINGS

11.2 Consideration of an ordinance rezoning the real property located on the southeast corner of Zanker Road and River Oaks Drive.

Recommendation: Consideration of an ordinance rezoning the real property located on the southeast corner of Zanker Road and River Oaks Drive (3300 Zanker Road) from (IP) Industrial Park Zoning District to A(PD) Planned Development Zoning District to allow up to 1,900 single-family attached residences and 31,360 square feet for retail commercial, leasing office, and clubhouse uses on a 38.25 gross acre site (Irvine Apartment Communities, property owner and developer). CEQA: Resolution No. 72768 and addendum thereto.

PDC06-038 – District 4

(Continued from 6/5/07 – Item 11.6)

Continued to 8/14/07, per Administration.

11.3 Consideration of an ordinance rezoning the real property located on the southeast corner of East Hedding Street and North 17th Street.

Recommendation: Consideration of an ordinance rezoning the real property located on the southeast corner of East Hedding Street and North 17th Street (890 North 17th Street) from the R-2 Two-Family Residence District to the R-2(PD) Planned Development Zoning District to allow 2 single family detached residences and 1 duplex that currently exist on the project site to facilitate future subdivision. No new construction is proposed (Louis Bini, Owner). SNI: 13th Street. CEQA: Exempt.

PDC07-004 – District 3

Continued to 8/14/07, per Administration.

11.4 Consideration of an ordinance rezoning the real property located on both sides of Berryessa Road, between the Union Pacific Railroad Right of Way to the east, the Coyote Creek to the west, and north of Mabury Road.

* **Recommendation:** Consideration of an ordinance rezoning the real property located on both sides of Berryessa Road, between the Union Pacific Railroad Right of Way to the east and the Coyote Creek to the west, north of Mabury Road (1590 Berryessa Road) from A(PD) Planned Development Zoning District on 101-acres, IP-Industrial Park Zoning District on 19-acres and A-Agriculture Zoning District on .76-acres to A(PD) Planned Development Zoning District to allow up to 2,818 residential units and up to 365,622 square feet of commercial/industrial uses on an approximately 120 gross acre site (The Flea Market Inc, Owner/Developer). CEQA: Resolution to be adopted.

PDC03-108 – District 4

Continued to 8/14/07, per Administration.

11. PUBLIC HEARINGS

11.5 Consideration of a Director-initiated ordinance rezoning the real property located on the south side of Piercy Road.

Recommendation: Consideration of a Director-initiated ordinance rezoning the real property located on the south side of Piercy Road, approximately 900 feet east of the intersection of Piercy Road and Tennant Avenue (725 Piercy Road) from Unincorporated County to OS – Open Space on a 1.1 gross acre site (Manuel J. Rios, Owner). CEQA: Resolution No. 65459. Director of Planning, Building and Code Enforcement recommends approval. No Planning commission action required.

C07-030 – District 2

Renumbered from 11.1(a).

Ordinance No. 28078 passed for publication.

- **Open Forum**
None were presented.

- **Adjournment**
The Council of the City of San José was adjourned at 9:09 p.m.

8. JOINT REDEVELOPMENT AGENCY ITEM

The Joint Redevelopment Agency Board convened at 7:42 p.m. to consider Items 8.1 and 8.2 in a Joint Session.

8.1 Approval of actions related to DDAs for development of housing in the North San Pedro area.

Recommendation:

- (a) Adoption of a resolution by the City Council approving the sale of Agency-owned property, generally located in the blocks bounded by Highway 87 to the west, West Saint James Street to the south, North Market Street to the east and a Union Pacific Railroad right of way to the north, to Green Valley Corporation/Barry Swenson Builder, accepting the 33433 Summary Report and Re-Use Valuation and finding that the sale of the property will assist in the elimination of blight, is consistent with the Implementation Plan for the Julian-Stockton Redevelopment Project Area and that the consideration for the property is not less than the fair reuse value for the proposed use, with the covenants and conditions and development costs authorized by the Disposition and Development Agreement (DDA).

Resolution No. 73882 adopted.

- (b) Adoption of a resolution by the Redevelopment Agency Board approving a DDA with Green Valley Corporation (dba Barry Swenson Builder) and authorizing the Executive Director to execute the DDA and ancillary documents contemplated by the DDA, to close escrow subject to compliance with the terms of the DDA, and to negotiate and execute amendments to the DDA substantially in conformance with the intent of the DDA and as reasonably necessary to conform to lender requirements.

Redevelopment Agency Resolution No. 5672 adopted.

- (c) Adoption of a resolution by the City Council approving the sale of certain sites located on Agency-owned property, generally located in the blocks bounded by Highway 87 to the west, West Saint James Street to the south, North Market Street to the east and a Union Pacific Railroad right of way to the north The Olson Company, accepting the 33433 Summary Report and Re-Use Valuation, and finding that the sale of the property will assist in the elimination of blight, is consistent with the Implementation Plan for the Julian Stockton Redevelopment Project Area, and that the consideration for the property is not less than the fair reuse value for the proposed use, with the covenants and conditions and development costs authorized by the DDA.

Resolution No. 73883 adopted.

8. JOINT REDEVELOPMENT AGENCY ITEM

8.1 Approval of actions related to DDAs for development of housing in the North San Pedro area (Cont'd.)

- (d) Adoption of a resolution by the Redevelopment Agency Board approving a DDA with The Olson Company and authorizing the Executive Director to execute the DDA and ancillary documents contemplated by the DDA, to close escrow subject to compliance with the terms of the DDA, and to negotiate and execute amendments to the DDA substantially in conformance with the intent of the DDA and as reasonably necessary to conform to lender requirements.

CEQA: Resolution No. 72170, Brandenburg Mixed Use Project/ North San Pedro Housing Sites Project File No. GPT03-03-01a and GPT03-03-01b. **[JULIAN-STOCKTON]**

Redevelopment Agency Resolution No. 5763 adopted.

The development of housing in the North San Pedro area was approved with the following amendments:

- (1) That the aggregate number of units on the site equal or exceed 600 units, if the airport's height limits permit.**
- (2) That Staff conduct a community meeting regarding neighborhood concerns with outreach to Vendome and Historic Hensley neighborhoods within 90 days.**

8.2 City Council and Redevelopment Agency Board actions related to the funding of improvements to Parkside Hall.

Recommendation:

- (a) Adoption of a resolution by the City Council making certain determinations, consistent with the Health and Safety Code Section 33445, as required by state law for Redevelopment Agency funding of the proposed improvements to Parkside Hall.

Resolution No. 73884 adopted.

- (b) Adoption of a resolution by the Redevelopment Agency Board approving the adjustment to FY 2006-07 Adopted Capital Budget by adding \$100,000 to Tech Museum of Innovation project line in the Park Center Redevelopment Area and amending the FY 2006-07 Agency appropriations resolution.

CEQA: CEQA: Exempt. File No. PP07-125. **[PARK CENTER PLAZA]**

Redevelopment Agency Resolution No. 5764 adopted.

The Council of the City of San José, and Redevelopment Agency Board adjourned at 7:51 p.m.